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## CENTRAL INTELLIGENCE GROUP INTELLIGENCE REPORT

COUNTRY Germany (French Zone)/France

147321

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SUBJECT

The Leibbrend Plan for the French Zone

This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States.

19 Jamiary 1948

SUPPLEMENT

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Minister of Economy Leibbrand of Baden (SPD) intended to include the other two lands of the French Zone in his plan for direct esonomic and commercial relations between Baden and France. During the fall of 1947, he invited the governments of Württemberg-Hohenzollern and Rheinland-Pfalz either to join in his efforts or to develop economic plans of a similar character in their own lands. Leibbrand pointed out that his main purpose was to establish economic relations between France and the French Zone without consideration for the rest of Germany, so that the French Zone might gain advantages which it would forego if it waited for the Allies to reach an agreement on the economic future of Germany. He insisted that:

Action in accordance with his views should be taken before the end of the London Conference.

Influential French government and business circles were backing his plans.

Gouvernment Militaire was backing his plan in all three Lands. 25X1A

Comment: Leibbrand purposely misinformed officials of Whittemberg-Hohenzollern and Rheinland-Pfalz on Gouvernement Militaire attitudes. The French governors of the two Lands actually regard Leibbrand's activities with considerable reserve.

- Leibbrand's negotiations did not produce the results he had hoped for. The leadership of the Social Democratic Party in the two Lands opposed Leibbrand's intention of producing an economic fait accompli in the French Zone independently of the rest of Germany and without reference to Allied agreements. He therefore discontinued his efforts to convince Württemberg-Hohenzollern and Rheinland-Pfalz and began to concentrate on the SPD in Baden.
- In a meeting of the Baden SPD Directorate at the beginning of December 1947, Leibbrand admitted the complete failure of his proposals to the other Lands, which he ascribed to the opposition of SPD government officials. He suggested that the Baden SPD Directorate on its own should ask Gouvernement Militaire permission to open direct negotiations between the Baden government and the French Ministry of Economy. Although he has a certain number of adherents in the SPD, the majority does not favor his plan. Moreover, the

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Baden SFD Directorate does not want to undertake such an action as Leibbrand proposed without the consent of the Hannover SPD Directorate.

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